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IBM CORP (YA) C/O YEE & ASSOCIATES PC P.O. BOX 802333 DALLAS, TX 75380			EXAMINER BARTLEY, KENNETH	
			ART UNIT 3693	PAPER NUMBER
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

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Office Action Summary	Application No. 10/046,997	Applicant(s) BROWN ET AL.	
	Examiner KENNETH L. BARTLEY	Art Unit 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 09 October 2008.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-6 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-6 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. Receipt of Applicant's amendment and response filed October 9, 2008 is acknowledged.

Response to Amendment

2. Claims 1-6 have been amended. Claims 7-20 are canceled. Claims 1-6 are pending in the application and are provided to be examined upon their merits.

Response to Arguments

3. Applicant's arguments filed October 9, 2008 have been fully considered but they are not persuasive. The Examiner provides a response below in **bold**.

Applicant comments on interview, page 4 of remarks:

I. Examiner Interview

On October 2, 2008, the Examiner and the undersigned attorney discussed the 35 U.S.C. § 112

rejection regarding claims 1-6. No agreement was reached.

The Examiner and the undersigned attorney also discussed the 35 U.S.C. § 103 rejection regarding claims 1-6. No agreement was reached.

The Examiner was also concerned about the claims reciting differences distinguishing elements from Suzuki.

Applicant argues 112, 2nd paragraph rejection on page 4:

II. 35 U.S.C. § 112, First Paragraph

The Examiner objected to the specification under 35 U.S.C. § 112, first paragraph, as failing to adequately teach how to make and/or use the invention in claims 1-6 and 8-19. Additionally, the Examiner rejected the claims under the same reasons. This rejection is respectfully traversed.

The Examiner states:

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Claim 1 teaches a second user making a transaction over a phone or internet, and changing a second communication device to a location of a vendor supplying goods or services over the phone or the internet. However, Applicant's specification teaches changing the location to that of the account holder, not that of the vendor location.

Specifically, "In the case where the account holder is purchasing goods or services with a vendor over the phone or via the Internet, the merchant location information can be changed to the location of the account holder, such that the two locations will match."

Office Action dated June 9, 2008, p. 4.

The Examiner also underlined the appropriate section of Applicant's specification in the prior Office Action.

...the merchant location information can be changed to the location of the account holder...

The Applicant amended claim 1 to the following:

...changing a second location to match a second location of the second communication device, wherein the second location is made to match the location of the first account holder is ...

The Examiner respectfully believes this still does not capture what applicant's specification states. Changing a location could be any location that is changed, whereas the specification clearly teaches changing a merchant's location. The Examiner respectfully does not understand why Applicant does not state "changing a location of the merchant to match the location of the second communication device...

Applicants canceled claims 8-19 in this paper, therefore the 35 U.S.C. § 112, first paragraph rejection regarding claims 8-19 is now moot. With respect to claims 1-6, Applicants have amended claim 1 to state "wherein the second location is made to match a location of the first account holder," in accordance with Applicants Specification. Support for the amendment may be found on page 12, lines 19-21 of Applicants Specification. The Examiner asserts in the Office Action, dated June 9, 2008, that claim 1 should be amended accordingly.

Therefore, the 35 U.S.C § 112, first paragraph rejection vis-a-vis claims 1-6 has been overcome.

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The Examiner removes the 35 USC § 112, 1st rejection, however, in reading the changes provides a new 35 USC § 112, 2nd paragraph rejection.

Applicant responds to 35 USC §103(a) rejection, pg. 5 of remarks:

III. 35 U.S.C. § 103: Asserted Obviousness

The Examiner rejected claims 1-6 and 8-19 under 35 U.S.C. § 103(a) as unpatentable over Suzuki et al., Method and System to Prevent Fraudulent Payment in Credit/Debit Card Transactions, and Terminals Therefor, U.S. Patent 6,612,488 (dated September 2, 2003) (hereinafter "Suzuki") in view of Marce et al, Telecommunication System, and Mobile Station, and Database, and Method, U.S. Patent 6,941,129 (dated September 6, 2005)(hereinafter "Marce") in view of Obradovich et al., Personal Communication and Positioning System, U.S. Patent 6,515,595 (dated February 4, 2003) (hereinafter "Obradovich"). This rejection is respectfully traversed. Claims 8-19 are canceled herein, therefore this rejection regarding these claims is now moot. Applicants address this rejection for claims 1-6.

Applicant reviews claim 1, pg. 5 or remarks:

In rejecting claim 1, the Examiner asserts that Suzuki, Marce, and Obradovich teach or suggest elements in claim 1 (See Office Action, dated June 9, 2008, pages 5-8).

The Examiner bears the burden of establishing a prima facie case of obviousness based on prior art when rejecting claims under 35 U.S.C. § 103. In re Fritch, 972 F.2d 1260, 23 U.S.P.Q.2d 1780 (Fed. Cir. 1992). The prior art reference (or references when combined) must teach or suggest all the claim limitations. In re Royka, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). In determining obviousness, the scope and content of the prior art are determined; differences between the prior art and the claims at issue are ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background the obviousness or non-obviousness of the subject matter is determined. Graham v. John Deere Co., 383 U.S. 1 (1966). "Often, it will be necessary for a court to look to interrelated teachings of multiple patents; the effects of demands known to the design community or present in the marketplace; and the background knowledge possessed by a person having ordinary skill in the art, all in order to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue." KSR Int'l. Co. v. Teleflex, Inc., 127 S. Ct. 1727 (April 30, 2007). "Rejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness. Id. (citing In re Kahn, 441 F.3d 977, 988 (CA Fed. 2006))."

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The Examiner respectfully points out that Suzuki alone teaches important aspects of Applicants invention, such as co-locating a wireless communication device at a point of sale to affect a transaction.

The proposed combination of the cited prior art fails to make amended claim 1 obvious. Amended claim 1 is as follows:

1. (Currently Amended) A computer implemented method for authorizing transactions against an account comprising:

associating a first communication device identification with a first communication device, wherein the communication device identification is associated with a first account holder;

associating a second communication device identification with a second communication device, wherein the second communication device is associated with a second user different from the first account holder;

receiving a transaction comprising a request for authorization to charge an amount against the account using a card associated with the first account holder;

receiving a request to change the first communication device identification to the second communication device identification corresponding to the second communication device;

in response to the second user making a transaction with the card over the phone or on an internet website belonging to a vendor supplying goods or services, transmitting a unique code entered by the first account holder to a central computer to authorize changing a second location to match a second location of the second communication device, wherein the second location is made to match the location of the first account holder; and

authorizing the transaction when the unique code is received.

The Applicant is attempting to bring in two claim elements not taught by Suzuki:

- 1. Changing a device ID in order to permit a card transaction on the second device (e.g. a parent can change their child's mobile phone number to permit a card transaction).**
- 2. Changing a merchant location (using a security code) to the location of an account holder in order that the system will allow a transaction to take place.**

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It is not clear to the Examiner, however, that this works. Specifically, in the above claim, nothing is done with the change of the first communication device (the first communication ID to a second communication ID), and further this is done in the specification to:

**“If account holders gives their transaction card to their child, for example, they may change the device ID to their child's mobile phone number.”
[0047]**

...but nothing is then done with the first device that had it's ID changed to the second communication ID.

Claim 1 then changes a location (merchant location?) to be the location of the account holder, and co-locates this with a second device, which has the same location as the account holder. Therefore, a second communication device, which the claim has associated with a second user and specifically recites the second user different from a first account holder, is now located with a first account holder. But the first account holder is associated with a first communication device, which itself provides locating ability with the changed (merchant?) location.

Therefore, changing the first ID to a second ID accomplishes nothing in the claim. Further, the "first account holder" now has two devices, a first and second communication device.

This then raises the issue of how this (second user making a transaction with the card) happens if the second communication devices is located with the first account holder:

“...in response to the second user making a transaction with the card over the phone or on an internet website...”

The Examiner failed to state a prima facie obviousness rejection against amended claim 1, because the proposed combination, considered as a whole, does not teach or suggest all of the features of amended claim 1. Additionally, no rational underpinning exists, because neither the references, nor the knowledge available to those of ordinary skill, provide any reason to combine the references to achieve the invention of amended claim 1.

Applicant argues obviousness rejection, beginning page 6 of remarks:

A. The Examiner Failed to State a Prima Facie Obviousness Rejection Because the Proposed Combination of the Cited Art Fails to Teach or Suggest All of the Features of Amended Claim 1.

The Examiner failed to state a prima facie obviousness rejection against amended claim 1, because the proposed combination fails to teach or suggest

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the following feature in amended claim 1 : "in response to the second user making a transaction with the card over the phone or on an internet website belonging to a vendor supplying goods or services, transmitting a unique code entered by the first account holder to a central computer to authorize changing a second location to match a second location of the second communication device, wherein the second location is made to match the location of the first account holder."

Applicant argues Suzuki, page 6 of remarks:

In rejecting claim 1, the Examiner cites to Suzuki. Suzuki teaches the following:

The present invention enables secure, valid card payments in credit transactions to be performed, preventing fraudulent card use even in cases of loss or theft of a card or of information theft. During a transaction authorization process using a transaction terminal disposed in a credit transaction member store and connected with a host computer, user validation or credit administration is carried out by using a portable communication terminal to input to the host computer identity information which has been previously registered in the portable communication terminal and/or location information for the portable communication terminal.

Suzuki, Abstract.

This reference does not teach this feature in amended claim 1. The above-cited section discloses a method for validating a user or allowing a credit transaction to be performed by using a portable communication terminal. The above-cited section also discloses inputting identity and/or location information in the portable communication terminal. However, neither this section nor any other section of Suzuki discloses "in response to the second user making a transaction with the card over the phone or on an internet website belonging to a vendor supplying goods or services, transmitting a unique code entered by the first account holder to a central computer to authorize changing a second location to match a second location of the second communication device, wherein the second location is made to match the location of the first account holder", as recited in amended claim 1. The Examiner does not assert otherwise. Thus, Suzuki fails to teach or suggest this feature in amended claim 1.

In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

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Suzuki was used to teach communication devices with device ID's that permit transactions when the device is co-located with a merchant, for example.

Applicant argues Marce, page 7 of remarks:

Marce fails to make up for the deficiencies of Suzuki. Marce states as follows:

Thereto, the telecommunication system according to the invention is characterized in that said database comprises subscriber-information related to said identification code for allowing at least a part of said subscriber-information at least to be exposed to at least one further subscriber, with said mobile station comprising a transmitter for transmitting an update code to said network via at least one fixed station, and with said network comprising a receiver for receiving said update code for updating at least a part of said subscriber-information stored in said database.

Marce, column 1, lines 41-50.

The above-cited section from Marce discloses sending codes to fixed stations within a telecommunication network to update stored subscriber information. Marce requires the presence of a telecommunication system with at least one fixed station that includes a transmitter for transmitting an update code for updating subscriber-information stored in a database. However, neither the above-cited section nor any other section of Marce discloses "in response to the second user making a transaction with the card over the phone or on an internet website belonging to a vendor supplying goods or services, transmitting a unique code entered by the first account holder to a central computer to authorize changing a second location to match a second location of the second communication device, wherein the second location is made to match the location of the first account holder", as recited in amended claim 1. Marce is entirely devoid of this teaching. Marce does not disclose a first account holder entering a unique code to authorizing changing a second location to match the location of the second communication device. Nor does Marce disclose matching the second location of the second communication device to match the location of the first account holder.

In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

Marce provided allowing ID code to be exposed to at least one other subscriber and was combined with Suzuki who teaches two communication devices, where the ID verification may be removed.

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Because Marce does not teach or suggest the recited features of amended claim 1, Marc fails to make up for the deficiencies of Suzuki and also fails to make amended claim 1 obvious. One of ordinary skill in the art would have no rational reason for looking to the cited prior art since not all the features of amended claim 1 are taught or suggested. The combination of Marce and Suzuki fails to make amended claim 1 obvious, because the features of amended claim 1 are not taught or suggested in the combination of these two references.

The Examiner respectfully disagrees with this. First, the Examiner does not give patentable weight to the claim element of changing a first communication device ID to a second communication device ID since nothing is done with this change in the body of the claim. In other words, this step is not part of the claim process. Secondly, Marce and Suzuki were not used to teach a change in location.

Applicant argues Obradovich, starting page 8 of remarks:

Still further, Obradovich fails to make up for the deficiencies of Suzuki and Marce. Obradovich states as follows:

Thus, the PCD can be used to monitor the locations of individuals utilizing PCDs. For example, credit authorization agencies may make use of the location monitoring capability provided by the PCD in determining the validity of credit requests. FIG. 46 illustrates a method of credit authorization using the PCD. In step 1360, an individual makes a request for credit. This may be accomplished in a variety of manners including "swiping" a credit card through a credit card reader at a gas station, supermarket, or a variety of other locations, or merely by providing a credit card to a retail clerk who thereafter requests credit authorization. The request for credit may be made to a credit card issuer, or may merely be a request for credit authorization by a credit reporting facility.

If credit authorization according to prior art practices is appropriate, then the credit authorizer transmits an interrogatory to the individual's PCD in step 1368. In step 1370, the credit authorizer waits a predetermined time for a response from the PCD. In step 1371 the credit authorizer determines if a response from the PCD has been received. If a response from the PCD has been received, the credit authorizer determines if the PCD location is consistent with the request for credit in step 1372. This may be accomplished by determining if the PCD is at the location from which credit was requested.

Obradovich, column 24, lines 57-67 and column 25, lines 1-3, and column 25, lines 9-22.

The above-cited section of Obradovich discloses a PCD or personal communication device that includes a GPS receiver. This section also discloses authorizing a credit transaction when a credit authorizer transmits an interrogatory to an individual's PCD and then receives a response from the PCD locating the individual at the same location as the credit request using a GSS receiver. However, neither this section nor any other section of Obradovich teaches or suggests, "in response to the second user making a transaction with the card over the phone or on an internet website belonging to a vendor supplying goods or services, transmitting a unique code entered by the first account holder to a central computer to authorize changing a second location to match a second location of the second communication device, wherein the second location is made to match the location of the first account holder," as stated in amended claim 1.

With all due respect, Obradovich was combined with Suzuki and Marce to teach changing the location of a communication device (at the time, what claim 1 was reciting). The claim has been amended in such a manner that Obradovich would still read on the claim.

Also, claim 1 has "...in response to the second user making a transaction... transmitting a unique code. With all due respect, the unique code has to be sent first to a central computer in order for the transaction to occur. Obradovich teaches transmitting a security code that changes the location of a device to enable a transaction.

Contrary to the Examiner's assertions, Obradovich does not teach "changing the location of a portable communication device so the device may or may not be co-located with a credit transaction." Contrary to amended claim 1, Obradovich specifically teaches denying a credit request if a reported location is not consistent with a request for credit.

Suzuki teaches co-located. The Examiner stated in the prior Office Action... The combined references teach a first and second user with first and second communication devices having first and second device Id's. They do not disclose changing the location of a portable communication device so the device may or may not be co-located with a credit transaction. Obradovich et al. discloses a personal communication device (PCD) that allows for changing the location of the communication device.

Therefore, the Examiner argued Obradovich allows for changing the location of a communication device.

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In step 1362, the request for credit is transmitted to a credit authorizer. In step 1364, the credit authorizer determines whether credit authorization is appropriate in view of the credit authorizer's prior art credit authorization practices. Such prior art practices include the use of credit limits, past credit usage, and other factors. If the credit authorizer determines the credit authorization according to prior art practices is not appropriate, then credit authorization is denied in step 1366. If credit authorization according to prior art practices is appropriate, then the credit authorization transmits an interrogatory to the individual's PCD in step 1368. In step 1370, the credit authorizer waits a predetermined time for a response from the PCD. In step 1371, the credit authorizer determines if a response from the PCD has been received. If a response from the PCD has been received, the credit authorizer determines if the PCD location is consistent with the request for credit in step 1372. This may be accomplished by determining if the PCD is at the location from which credit was requested. If the reported location is consistent with the request for credit, then the process grants or authorizes credit in step 1378. If the reported location is not consistent with the request for credit, the process denies credit in step 1366. If no response is received from the PCD, the credit authorizer determines if previous PCD reported locations are consistent with the location from which credit was requested in step 1374. For example, the credit authorizer may have received response from previous requests for position from the PCD, or an e-mail address of the credit authorizer may have been entered by the individual for AUTO- TIMED or MOVE position updates. If the previous location is consistent with the request for credit, then the process grants or authorizes credit in step 1378. If the previous locations is not consistent with the request for credit, the process denies credit in step 1366.

Obradovich, column 25, lines 4-37 (emphasis added).

In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

Suzuki teaches co-locating devices for a transaction to occur. Obradovich teaches changing the location of a communication device.

Applicant continues, bottom of page 9:

The above-cited section, referred to by the Examiner, clearly states that if a previous location is consistent with the request for credit, then the process grants

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or authorizes credit. No mention is made in either this section nor any other section of Obradovich for "in response to the second user making a transaction with the card over the phone or on an internet website belonging to a vendor supplying goods or services, transmitting a unique code entered by the first account holder to a central computer to authorize changing a second location to match the location of the second communication device, wherein the second location is made to match a location of the first account holder," as recited in amended claim 1.

With all due respect....

"in response to the second user making a transaction with the card over the phone or on an internet website belonging to a vendor supplying goods or services, transmitting a unique code entered by the first account holder to a central computer to authorize changing a second location to match the location of the second communication device, wherein the second location is made to match a location of the first account holder,"

...for the transaction to occur, a code is first sent to a central computer, which changes the location of a merchant to the location of the account holder.

Obradovich teaches:

"The PCD also serves as a position monitoring device. To begin the position monitoring function the user selects the monitor on the PCD. Upon selecting the monitor function, the PCD displays a menu including INTERROG, AUTO-TIMED, and MOVE options. When the INTERROG function is selected the PCD will display an e-mail entry field allowing input by the user of an e-mail address. After the e-mail address is entered, the PCD responds to appropriate interrogatories by transmitting its current position. An appropriate interrogatory includes the security code active when the INTERROG mode was selected and an Internet e-mail address. Upon receipt of an appropriate interrogatory the PCD will transmit the GPS receiver determined latitude and longitude of the device to the e-mail address." (col. 24, lines 16-29)

Therefore, the location is changed to the current Internet e-mail address, where such address is the same as the device.

Applicant continues, page 10 or remarks:

As can be seen, many differences exist between amended claim 1 and Obradovich. For example, Obradovich does not teach or suggest authorizing a second user to use a card belonging to a first account holder. Obradovich also does not teach or suggest allowing a second user using a second communication device that is made eligible for a transaction using a unique code. Thus, contrary to the Examiner's assertions, Obradovich fails to make up for the deficiencies of

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Suzuki and Marcd. Indeed, the proposed combination of Suzuki, Marcd, and Obradovich fails to teach or suggest all of the features of amended claim 1. Thus, under the standards of In re Royka, the proposed combination of the cited prior art fails to make amended claim 1 obvious.

With all due respect, Suzuki teaches co-locating a communication device with a location for a transaction to occur. Applicant has amended claim 1 to bring in two other elements from their specification to try to overcome Suzuki. The Examiner provided art over the two elements, even though the claim element of changing a device ID to a second ID is never used in the subsequent amended step (to fix 35 USC 112 issues). Further, the amended step still does not teach changing a location of a merchant, only changing locations.

Applicant argues improper reason to combine, page 10:

B. The Examiner Failed to State a Proper Reason to Combine the References.

Additionally, under the standards of KSR Int'l, the Examiner failed to state a proper reason to combine the references to achieve amended claim 1. With regard to a reason to combine the references, the Examiner states that:

“Therefore it would have been obvious to one of ordinary skill in the art to include in the communication and credit authorization system of the combined references the ability to change the location of a communication device as taught by Obradovich et al. since the claimed invention is merely a combination of old elements, and in the combination each element would have performed the same functions as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.”

Office Action, dated June 9, 2008, page 8.

Contrary to the Examiner's assertions, the combination of each element would not have performed the same functions as each did separately. As previously discussed, Suzuki does not disclose changing a first communication device identification to a second communication device identification corresponding to a second device. The Examiner relies on Marce to make up for the deficiencies of Suzuki. However, as previously discussed, Marce does not disclose this feature of amended claim 1 either. Marce's invention is solely directed to allowing subscribers to update each other's information when on the same telecommunications network and using an identification code. However, Marce is not disclosing changing communication device identifications from one device to another. No where is this feature of amended claim 1 taught or suggested at any length in Marce. Therefore, there is no reason for one of ordinary skill in the art to look to combine either Suzuki or Marce to achieve these features of amended

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claim 1. Obradovich also clearly fails to teach or suggest the absent features from Suzuki and Marce.

Marce discloses “exposing subscriber-information related to a first subscriber to a second subscriber and/or a method for contacting compatible parties, etc.” (col. 4, lines 31-35)

Due to the large differences, already described, between the references individually and when combined as a whole, one of ordinary skill would have no rational underpinning to achieve the legal conclusion of obviousness of amended claim 1 in view of the references, considered as a whole.

The Examiner argues that the references are in response to the claim elements themselves and that changing communication device ID's as in claim 1, for example, does not contribute to the process steps (is not tied into a subsequent step).

The Examiner is broadly characterizing the illustrative embodiment and seems to be substituting personal opinion by saying that "the claimed invention is merely a combination of old elements, and in the combination each element would have performed the same functions as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable." Under the standards of *In re Bell*, personal opinion cannot be substituted for what the prior art teaches because a *prima facie* case of obviousness is established when the teachings of the prior art itself suggest the claimed subject matter to a person of ordinary skill in the art. *In re Bell*, 991 F.2d 781,783, 26 U.S.P.Q.2d 1529, 1531 (Fed.Cir. 1993). The Examiner is not permitted to find just any combination of prior art and then assert the obviousness of a claim in view of the combination; instead, the Examiner must comply with the requirements of *KSR Int'l* to establish a *prima facie* obviousness rejection. All inventions are created from what was known before. However, under the standards of *In re Royka*, the prior art references when combined must teach or suggest all the claim limitations.

The Examiner was not asserting an opinion. Both pieces of art are old and well known. Both pieces of art are directed to wireless devices with GPS capability for locating the device. Both pieces of art teach transactions based on locations. Obradovich teaches changing the location of a communication device. The Examiner combined prior art elements to yield the predictable result of changing a location.

In this case, one of ordinary skill would not have a reason to look to the cited references due to when the cited references fail to each teach or suggest the features of amended claim 1, either individually or when viewed as a whole.

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Accordingly, under the standards of KSR Int'l, the Examiner failed to state a prima facie obviousness rejection against claim 1.

The prior claim elements were known in the prior art and could be combined with no change in their respective functions. The combination would have yielded the predictable result of changing the location with a security code.

Applicant argues remaining claims, page 11:

IV. Remaining Claims

Claims 2-6 depend from independent claim 1. Claims 2-6 incorporate all of the features of amended claim 1. Therefore, at least by virtue of their dependency on amended claim 1, claims 2-6 are non-obvious for the reasons cited above. In addition, claims 2-6 are non-obvious on their own accord as a result of features not taught or suggested by the prior art. For example, claim 3 discloses, "wherein the unique code may be changed by the cardholder at random." The cited prior art fails to teach or suggest this feature. This is simply not taught or suggested in the prior art references. Thus, claims 2-6 are non-obvious in view of the cited prior art. Therefore, the rejection of claims 1-6 under 35 U.S.C. § 103 has been overcome.

Obradovich teaches user selecting a password for changing the code.

Applicant concludes, page 12:

V. Conclusion

It is respectfully urged that the subject application is patentable over the cited references and is now in condition for allowance. The Examiner is invited to call the undersigned at the below-listed telephone number if in the opinion of the Examiner such a telephone conference would expedite or aid the prosecution and examination of this application.

The Examiner thanks the Applicant for their detailed response. The Examiner respectfully maintains the rejection.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

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5. Claims 1-6 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

6. Claim 1 recites “the communication device identification is associated with a first account holder” in the first step and a second step that has “the communication device is associated with a second user different from the first account holder...” where there is no antecedent basis provided for a difference with a second user. Further, comparing “...a second user different from the first account holder...” is not distinct since the second user must also belong to the same account. The Examiner interprets there to be a first user associated with a first communication device in the first step, and a second user different from a first user in the second step. Also, the Examiner interprets the “first account” to be “account” since there is no enablement for the claim if two users belong to different accounts. There must only be one account.

7. Claim 1, step 5 has “...changing a second location to match a second location of the second communication device, wherein the second location is made to match the location of the first account holder...” which is indefinite. The changing a second location must be changing the location of the merchant or vendor (not any location) to the location of the account holder.

8. Claim 1, step 5 has “...the second communication device, wherein the second location is made to match the location of the first account holder...” where there is no association between the second communication device and the first account holder, only between the first communication device and the first account holder (step 1).

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Further, The Examiner notes that the first communication devices now has the second communication device ID, but the ID does not provide the co-location benefit (e.g. GPS does), only transaction benefits. Therefore, the first account holder has both a first communication device and a second communication device at the same location? The Examiner interprets this step to mean the first account holder (or first user) having the first communication device at a first or second location (either one since the locations are the same).

9. Claim 1, step 4 has a first communication device that changes it's ID to a second communication device ID. However, this claim element does not provide any meaningful limitation to the body of the claim since the second ID in the first device is not used for anything, such as a transaction with the first device that has the second ID. The Examiner therefore gives no patentable weight to this limitation.

10. Claims 2 and 3 recites the limitation "cardholder." There is insufficient antecedent basis for this limitation in the claim.

Claim Rejections - 35 USC § 103

11. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

12. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

13. Claims 1-6 are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,612,488 to Suzuki in view of U.S. Patent No. 6,941,129 to Marcè et al and in further view of U.S. Patent No. 6,515,595 to Obradovich et al.

Regarding claim 1:

A computer implemented method for authorizing transactions against an account comprising:

associating a first communication device identification with a first communication device, wherein the communication device identification is associated with a first account holder;

Suzuki teaches:

Fig. 5, which has a communication device (cell phone) with a device id (cell phone number 090-890-1818), associated with a cardholder (Taro Yamada).

Applicant teaches in their background:

“Similarly, even in the absence of the physical card, an unauthorized individual may utilize the account number which corresponds to the card in order to make certain transactions, for example by telephone or the Internet.” ([0006] in US Pub No. 2003/0135463) Therefore, applicant is teaching an account number corresponding to a card.

associating a second communication device identification with a second communication device, wherein the second communication device is associated with a second user different from the first account holder;

Fig. 5 has a second communication device (cell phone) with a device id (cell phone number 090-794-06749), associated with a second user (Hanako Suzuki).

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receiving a transaction comprising a request for authorization to charge an amount against the account using a card associated with the first account holder;

Fig. 7 teaches using a "Transaction Authorization Computer" for receiving card information for charges made by a card associated with a cardholder.

receiving a request to change the first communication device identification to the second communication device identification corresponding to the second communication device;

Suzuki teaches replacing identity-related verification information on a portable device:

"Also, the cellular phone used in the aforementioned embodiments may be a digital cellular phone using the PDC (Personal Digital Cellular) system, GSM (Global System for Mobile Communication) system, or CDMA (Code Division Multiple Access), or it may be a simple cellular phone on the PHS (Personal Handyphone System) system, but is not limited to these, and may also be another type of portable communication terminal. Moreover, identity-related verification information such as the telephone number of the portable communication terminal may be stored in removable semiconductor memory in the portable communication terminal and one may replace the semiconductor memory and use the portable communication terminal for its original use." (col. 14, lines 32-45)

(see below under Transfer)

The Examiner also gives no patentable weight to this step since nothing is done with this step in the claim, such as making a financial transaction using the first communication device.

in response to the second user making a transaction with the card over the phone or on an internet website belonging to a vendor supplying goods or services, transmitting a unique code entered by the first account holder to a central computer to authorize changing a second location to match a second location the of the second communication device, wherein the second location is made to match the location of the first account holder; and

The Examiner interprets this claim to mean changing a location using a unique code, where the location is changed to match the location of the first communication device, since the first account holder is associated with a first communication device and not a second communication device.

(see below Change location)

authorizing the transaction when the unique code is received.

(see below Change location)

Transfer

Suzuki discloses two communication devices, where ID verification that may be removed from the communication devices.

Suzuki does not disclose transferring the ID verification to a second device.

Marcè et al. discloses mobile communication devices:

“Thereto, the telecommunication system according to the invention is characterised in that said database comprises subscriber-information related to said identification code for allowing at least a part of said subscriber-information at least to be exposed to at least one further subscriber, with said mobile station comprising a transmitter for transmitting an update code to said network via at least one fixed station, and with said network comprising a receiver for receiving said update code for updating at least a part of said subscriber-information stored in said database.” (col. 1, lines 41-50)

“Therefore, the invention also comprises a method of doing business, like a method for exposing subscriber-information related to a first subscriber to a second subscriber and/or a method for contacting compatible parties, etc.” (col. 4, lines 31-35)

It would have been obvious to one of ordinary skill in the art at the time of invention to include with the communication system of Suzuki the ability to change communication ID information as taught by Marcè et al. since the claimed invention is merely a combination of old elements, and in the combination each element would have performed the same functions as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Change location

The combined references teach a first and second user with first and second communication devices having first and second device Id's.

They do not disclose changing the location of a portable communication device so the device may or may not be co-located with a credit transaction.

Obradovich et al. discloses a personal communication device (PCD) that allows for changing the location of the communication device. Obradovich et al. teaches a personal communication device (PCD) where:

“The PCD is a cellular-phone-sized electronic device, combining the capabilities of a GPS receiver, transceiver, digital beeper, cell phone and projection system into one compact unit.” (col. 2, lines 64-67)

“By way of example, the invention can provide a requester with dynamic location information, or other data to a location anywhere in the U.S. This

location information may be used to locate individuals in determining whether to authorize credit requests, whether PCD or item containing a PCD, such as an automobile, is moved, or in routing electronic communications.” (col. 4, lines 64-67 and col 5, lines 1-3)

“The PCD also serves as a position monitoring device. To begin the position monitoring function the user selects the monitor on the PCD. Upon selecting the monitor function, the PCD displays a menu including INTERROG, AUTO-TIMED, and MOVE options. When the INTERROG function is selected the PCD will display an e-mail entry field allowing input by the user of an e-mail address. After the e-mail address is entered, the PCD responds to appropriate interrogatories by transmitting its current position. An appropriate interrogatory includes the security code active when the INTERROG mode was selected and an Internet e-mail address. Upon receipt of an appropriate interrogatory the PCD will transmit the GPS receiver determined latitude and longitude of the device to the e-mail address.” (col. 24, lines 16-29)

“When a user selects the MOVE option the PCD displays a distance entry field and an e-mail address entry field. After entry of the distance field and the e-mail address field, the PCD transmits an e-mail containing the device location to the e-mail address specified in the e-mail field whenever the PCD moves a distance greater than the distance entered in the distance field. When the PCD transmits an e-mail indicating the device position, the current device position is stored and the PCD waits until the device has moved the distance specified in the distance field from the current location prior to again transmitting the PCD location to the e-mail address specified in the e-mail address field.” (col. 24, lines 45-56)

“Thus, the PCD can be used to monitor the locations of individuals utilizing PCDs. For example, credit authorization agencies may make use of the location monitoring capability provided by the PCD in determining the validity of credit requests. FIG. 46 illustrates a method of credit authorization using the PCD. In step 1360 an individual makes a request for credit. This may be accomplished in a variety of manners, including “swiping” a credit card through a credit card reader at a gas station, supermarket, or a variety of other locations, or merely by providing a credit card to a retail clerk who thereafter requests credit authorization. The request for credit may be made to a credit card issuer, or may merely be a request for credit authorization by a credit reporting facility.” (col. 24, lines 57-67 and col. 25, lines 1-3)

“If credit authorization according to prior art practices is appropriate, then the credit authorizer transmits an interrogatory to the individual's PCD in

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step 1368. In step 1370 the credit authorizer waits a predetermined time for a response from the PCD. In step 1371 the credit authorizer determines if a response from the PCD has been received. If a response from the PCD has been received, the **credit authorizer determines if the PCD location is consistent with the request for credit in step 1372. This may be accomplished by determining if the PCD is at the location from which credit was requested.**” (col. 25, lines 9-22)

Therefore, it would have been obvious to one of ordinary skill in the art to include in the communication and credit authorization system of the combined references the ability to change the location of a communication device as taught by Obradovich et al. since the claimed invention is merely a combination of old elements, and in the combination each element would have performed the same functions as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Regarding claim 3:

The computer-implemented method of claim 1, wherein the unique code may be changed by the cardholder at random.

While the combined references teach unique code, they do not teach changing the unique code.

Obradovich et al. in the business of approving credit with communication devices teaches:

“The password and security level are selected by the user, and are also later herein described in conjunction with the universal telephone number.” (col. 26, lines 5-7)

Therefore, it would have been obvious to one of ordinary skill in the art at the time of invention to consider the changing a security code as taught by the combined references, motivated by Obradovich, and that changing the code at random would enhance security.

Regarding claim 4:

The computer-implemented method of claim 1 wherein the request for authorization is received at a merchant location.

The above combined references teach authorizing a request at a merchant location.

Regarding claim 5:

The computer-implemented method of claim 1 further comprising validating the account.

Suzuki teaches validating account.

“The system of the present invention, as pertains to credit and debit card transactions taking place at a transaction terminal located in a credit card/debit card member store comprises: a host computer capable of communicating with said card transaction terminal and capable of carrying out transaction validation processing on the basis of information sent from said card transaction terminal; wherein said host computer is capable of accessing a database storing information for validating a credit card user; and said host computer identifies said credit card user as an authentic cardholder on the basis of information for recognizing said credit card user and identity information, when information in relating to identity of said credit card user and said information relating to said credit transaction validation are inputted from a portable communication terminal having said identity information registered therein.” (col. 4, lines 15-30) Inherent in transaction validation would be account validation of a user.

Regarding claim 6:

The computer-implemented method of claim 1 further comprising determining whether the transaction is within a predefined credit limit.

Suzuki teaches Fig. 5 which has predefined credit limits.

14. Claim 2 is rejected under 35 U.S.C. 103(a) as being unpatentable over the combined references in section (13) above in further view of Pub. No.: US 2001/0051920 to Joao et al.

Regarding claim 2:

The computer-implemented method of claim 1, further comprising: responsive to receiving an instruction from the cardholder associated with the account, approving the transaction regardless of a location of the first communication device.

While the combined references teach approving credit if the location is consistent with the device, they do not teach approving the transaction if the location is not consistent.

Joal et al., also in the business of credit authorization teaches:

“In cases when the cardholder is the party to the transaction, he or she, having the communication device with, or on, his or her person, may authorize the transaction at the point-of-sale location or from his or her remote location. The cardholder may also program and/or set the communication device to automatically authorize or disapprove or disallow transactions.” ¶ [0041]

Therefore, it would have been obvious to one of ordinary skill in the art at the time of invention to consider the situation where a communication device was not corresponding to a transaction location, as taught by Joal et al., and that this would deal with situations where the communication device was at a different location than the transaction.

Conclusion

15. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to KENNETH L. BARTLEY whose telephone number is (571)272-5230. The examiner can normally be reached on Monday through Friday, 8:00 - 5:00 EST.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jagdish Patel can be reached on (571) 272-6748. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/JAGDISH N PATEL/
Primary Examiner, Art Unit 3693